

City of Annapolis FY 2004 Adopted Budget All Funds Summary

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equities, revenues and expenditures/expenses. Budgets for the following funds are included in this document:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Enterprise Funds - The Enterprise Funds are used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where costs and expenses, including depreciation, are recovered principally through user charges. Individual operations which the City of Annapolis has designated as Enterprise Funds include the Water, Sewer, Off Street Parking, Dock, Market, Transportation and Refuse Funds. A description of the individual activities of each Enterprise Fund are given later in this section of the budget.

Special Revenue Fund - Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted by legal and regulatory provisions to finance specific activities. The City's Special Revenue Fund is used to account for Community Development Block Grants received from the Federal Government.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for all governmental fund types.

The following tables summarize the FY 04 Adopted budget for the General, Enterprise and Special Revenue Funds.

<i>FY 2004 Adopted Revenues and Expenditures By Fund</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Inc (Dec) in Fund Equity/Retained Earnings</i>	<i>Subsidized by</i>
General	\$37,339,250	\$37,339,250	\$0	
Water	3,782,910	3,782,910	0	
Sewer	5,104,320	5,104,320	0	
Off Street Parking	2,005,690	1,705,690	300,000	
Dock	876,500	671,240	205,260	
Market	116,770	116,770	0	
Transportation	3,298,000	3,727,010	(429,010)	OSP & Dock
Refuse	2,401,000	2,477,250	(76,250)	OSP & Dock
Grand Total	\$54,924,440	\$54,924,440	\$0	
Special Revenue Fund *	\$424,000	\$424,000	\$0	

* The Special Revenue Fund amounts are not included in the operating budget totals in this document.

City of Annapolis FY 2004 Adopted Budget All Funds Summary

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The schedule below shows the anticipated beginning and ending undesignated fund balance (or, in the case of an Enterprise Fund, retained earnings) for each of the City's eight operating funds. Undesignated fund balance is the accumulated total of all prior years' actual revenues in excess of expenditures, commonly referred to as "surplus". It has not been committed ("reserved") for encumbrances, self insurance, or "designated" for capital projects or subsequent years' capital expenditures. Maintaining a prudent level of undesignated fund balance is critical to ensuring that the City is able to cope with financial emergencies and fluctuations in revenue cycles.

<i>Fund</i>	<i>Projected undesignated fund balance ¹, June 30, 2003</i>	<i>Plus projected FY 2004 revenues</i>	<i>Less projected FY 2004 expenditures</i>	<i>Projected undesignated fund balance ¹, June 30, 2004</i>
<i>General</i>	\$6,954,950	\$37,339,250	\$37,339,250	\$6,954,950
<i>Water</i>	690,500	3,782,910	3,782,910	690,500
<i>Sewer</i>	2,520,180	5,104,320	5,104,320	2,520,180
<i>Off Street Parking</i>	3,248,160	2,005,690	* 2,005,690	3,248,160
<i>Dock</i>	1,919,070	876,500	* 876,500	1,919,070
<i>Market</i>	322,310	116,770	116,770	322,310
<i>Transportation</i>	1,311,880	* 3,727,010	3,727,010	1,311,880
<i>Refuse</i>	764,870	* 2,477,250	2,477,250	764,870
<i>Total Funds</i>	\$17,731,920	\$55,429,700	\$55,429,700	\$17,731,920

¹ Fund Balance in these Enterprise Funds is referred to as "retained earnings".

* Includes interfund subsidies.

**City of Annapolis FY 2004 Adopted Budget
All Funds Summary**

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<i>Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>	<i>Percent Change</i>
Taxes	\$18,187,380	\$18,845,750	\$20,115,750	6.74%
Licenses and Permits	1,729,360	1,838,100	2,151,100	17.03%
Intergovernmental Revenues	12,449,970	12,602,210	13,003,310	3.18%
Charges for Services	16,155,090	15,995,570	16,196,100	1.25%
Fines and Forfeitures	734,720	856,190	974,500	13.82%
Money and Property	1,850,480	1,565,140	1,375,740	-12.10%
Other Financing Sources	3,206,420	3,868,860	1,107,940	-71.36%
Total Revenues	\$54,313,420	\$55,571,820	\$54,924,440	-1.16%

<i>Expenditures</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>	<i>Percent Change</i>
Personnel	\$31,474,310	\$34,660,040	\$37,159,450	7.21%
Other Operating Expenditures	12,250,620	11,785,930	12,789,510	8.52%
Capital Outlays	384,140	215,500	198,000	-8.12%
Debt Service	4,126,450	4,134,210	5,653,120	36.74%
Other Expenditures	(108,410)	(620,900)	(1,595,890)	-264.38%
Contribution to CIP	6,737,840	5,397,040	720,250	-86.65%
Total Expenditures	\$54,864,950	\$55,571,820	\$54,924,440	-1.16%

**City of Annapolis FY 2004 Adopted Budget
All Funds Summary**

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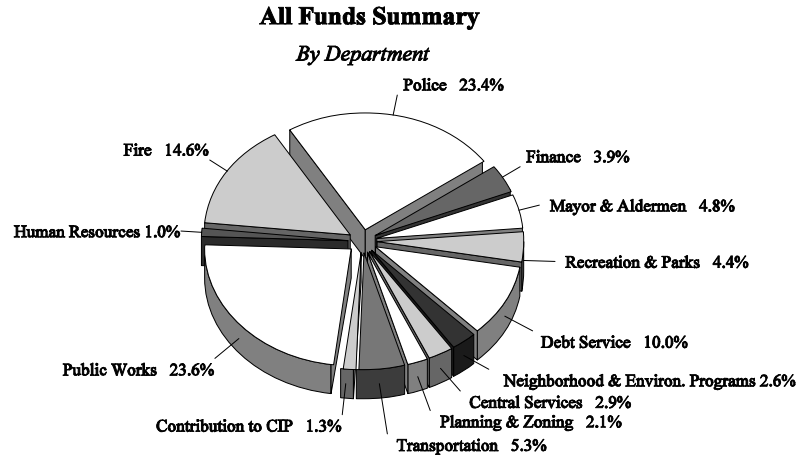
<i>Expenditures by Department</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>	<i>Percent Change</i>
Mayor and Aldermen	\$2,435,030	\$1,847,910	\$2,697,100	45.95%
Finance	1,853,430	2,052,010	2,223,540	8.36%
Human Resources	559,450	640,650	589,320	-8.01%
Planning & Zoning	1,248,300	1,149,510	1,202,670	4.62%
Central Services	1,521,710	1,559,690	1,656,560	6.21%
Police	10,724,010	11,907,200	13,253,180	11.30%
Fire	7,580,600	7,923,650	8,258,800	4.23%
Neighborhood & Environ. Programs	* 1,202,530	* 1,258,890	1,474,950	17.16%
Public Works	11,691,050	12,995,820	13,311,530	2.43%
Recreation & Parks	2,397,070	2,451,230	2,482,450	1.27%
Transportation	2,895,880	2,874,910	2,996,860	4.24%
Other Expenditures	(108,410)	(620,900)	(1,595,890)	157.03%
Debt Service	4,126,460	4,134,210	5,653,120	36.74%
Contribution to CIP	6,737,840	5,397,040	720,250	-86.65%
Total Expenditures	\$54,864,950	\$55,571,820	\$54,924,440	-1.16%

*: During FY02 and FY03 Neighborhood and Environmental Programs was Inspections and Permits and part of Public Works.

City of Annapolis FY 2004 Adopted Budget All Funds Summary

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The graph below indicates total Adopted FY 04 expenditures (all funds combined) by department.

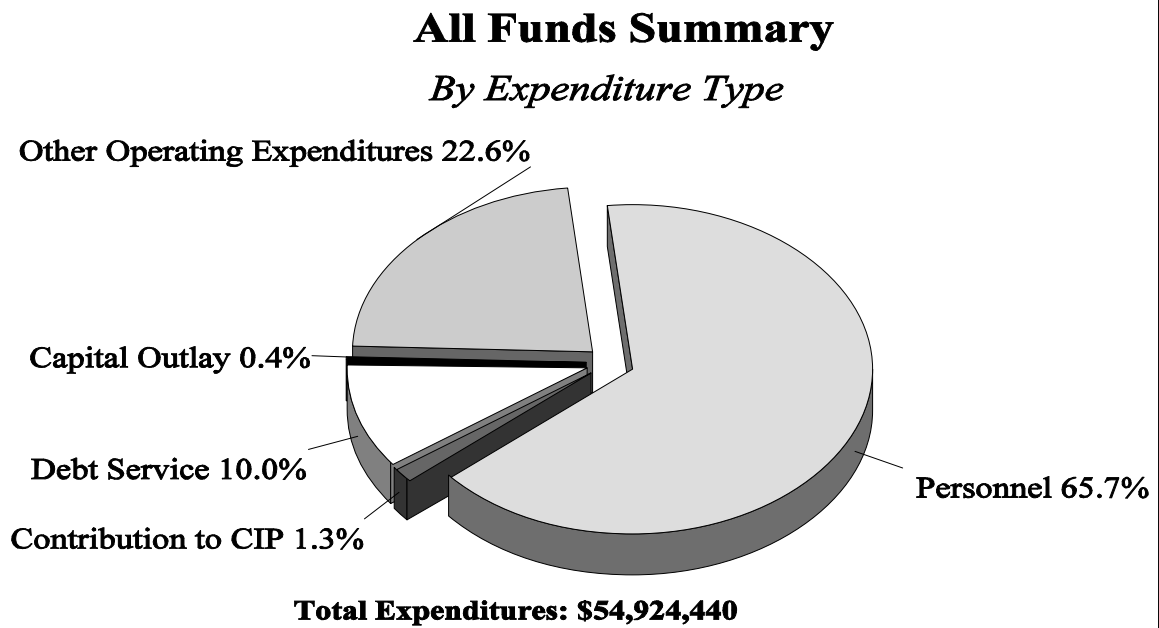


Total Expenditures: \$54,924,440

City of Annapolis FY 2004 Adopted Budget All Funds Summary

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The graph below indicates total Adopted FY 04 expenditures (all funds combined) by major categories of expenditure.



City of Annapolis
FY 2004 Adopted Revenue Budget for All Funds

<i>Department</i>	<i>General Fund</i>	<i>% of Total</i>	<i>Enterprise Funds</i>	<i>% of Total</i>	<i>Special Revenue Fund</i>	<i>% of Total</i>	<i>Department Total</i>	<i>% of Total</i>
Taxes	\$20,115,750	53.87%	\$0	0.00%	\$0	0.00%	\$20,115,750	36.34%
Licenses and Permits	2,151,100	5.76%	0	0.00%	0	0.00%	2,151,100	3.89%
Intergovernmental Revenues	10,598,310	28.38%	2,405,000	13.68%	424,000	100.00%	13,427,310	24.26%
Charges for Services	1,620,200	4.34%	14,575,900	82.89%	0	0.00%	16,196,100	29.26%
Fines and Forfeitures	974,500	2.61%	0	0.00%	0	0.00%	974,500	1.76%
Money and Property	1,082,140	2.90%	293,600	1.67%	0	0.00%	1,375,740	2.49%
Other Financing Sources	797,250	2.14%	310,690	1.77%	0	0.00%	1,107,940	2.00%
Total	\$37,339,250	100.00%	\$17,585,190	100.00%	\$424,000	100.00%	\$55,348,440	100.00%
Less Special Revenue Fund (1)							\$424,000	
Grand Total							\$54,924,440	

(1) The Special Revenue Fund is the Community Development Block Grant fund.

City of Annapolis
FY 2004 Adopted Expenditure Budget By Department for All Funds

<i>Department</i>	<i>General Fund</i>	<i>% of Total</i>	<i>Enterprise Funds</i>	<i>% of Total</i>	<i>Special Revenue Fund</i>	<i>% of Total</i>	<i>Department Total</i>	<i>% of Total</i>
Mayor and Aldermen	\$2,247,420	6.02%	\$449,680	2.56%	\$0	0.00%	\$2,697,100	4.87%
Finance	2,223,540	5.96%	0	0.00%	0	0.00%	2,223,540	4.02%
Human Resources	589,320	1.58%	0	0.00%	0	0.00%	589,320	1.06%
Planning and Zoning	1,202,670	3.22%	0	0.00%	424,000	100.00%	1,626,670	2.94%
Central Services	917,860	2.46%	738,700	4.20%	0	0.00%	1,656,560	2.99%
Police	13,253,180	35.49%	0	0.00%	0	0.00%	13,253,180	23.95%
Fire	8,258,800	22.12%	0	0.00%	0	0.00%	8,258,800	14.92%
Neighborhood & Environmental Programs	1,474,950	3.95%	0	0.00%	0	0.00%	1,474,950	2.66%
Public Works	5,122,460	13.72%	8,189,070	46.57%	0	0.00%	13,311,530	24.05%
Recreation and Parks	2,482,450	6.65%	0	0.00%	0	0.00%	2,482,450	4.49%
Transportation	0	0.00%	2,996,860	17.04%	0	0.00%	2,996,860	5.41%
Other Expenditures	(3,901,850)	(10.45)%	2,305,960	13.11%	0	0.00%	(1,595,890)	(2.88)%
Debt Service	2,748,200	7.36%	2,904,920	16.52%	0	0.00%	5,653,120	10.21%
Transfer to Capital Projects	720,250	1.93%	0	0.00%	0	0.00%	720,250	1.30%
Total	\$37,339,250	100.00%	\$17,585,190	100.00%	\$424,000	100.00%	\$55,348,440	100.00%
Less Special Revenue Fund (1)							\$424,000	
Grand Total							\$54,924,440	

- (1) The Special Revenue Fund is the Community Development Block Grant fund. The operating portion of this fund partially supports the activities of the Planning and Zoning Department and the capital portion is accounted for in the Capital Improvement Program.

History of Budgeted and Actual Expenditures by Fund FY 1999 - FY 2004

<i>Fund</i>	<i>FY 1999</i>		<i>FY 2000</i>		<i>FY 2001</i>		<i>FY 2002</i>	
	<i>Actual</i>	<i>Original Adopted Budget</i>	<i>Actual</i>	<i>Original Adopted Budget</i>	<i>Actual</i>	<i>Original Adopted Budget</i>	<i>Actual</i>	<i>Original Adopted Budget</i>
General	\$29,232,450	\$28,714,000	\$29,289,100	\$31,131,580	\$32,707,550	\$33,118,360	\$39,291,780	\$38,972,530
Water	3,018,400	2,954,130	3,121,090	3,125,170	3,392,400	3,380,270	3,398,800	3,496,800
Sewer	3,810,510	3,634,320	3,809,890	3,523,850	4,141,130	4,496,520	4,030,710	4,396,920
Off Street Parking	1,103,400	1,102,750	1,226,920	1,822,220	1,291,300	1,241,430	1,810,310	1,514,630
Dock	474,420	504,250	462,530	685,000	506,790	681,180	560,360	543,800
Market	61,760	67,390	55,880	116,900	74,690	85,090	64,280	76,320
Transportation	3,063,450	3,034,100	2,807,120	1,382,600	3,086,540	2,945,060	3,442,320	3,267,340
Refuse	2,152,040	2,266,350	2,132,930	2,292,900	2,085,710	2,325,550	2,266,390	2,370,530
Total	\$42,916,430	\$42,277,290	\$42,905,460	\$44,080,220	\$47,286,110	\$48,273,460	\$54,864,950	\$54,638,870

<i>Fund</i>	<i>FY 2003</i>		<i>FY 2004</i>
	<i>Original Adopted Budget</i>	<i>Revised Budget</i>	<i>Adopted Budget</i>
General	\$39,506,770	\$41,536,810	\$37,339,250
Water	3,587,940	3,639,850	3,782,910
Sewer	4,443,680	4,555,000	5,104,320
Off Street Parking	1,353,050	1,353,050	1,705,690
Dock	591,370	715,010	671,240
Market	92,860	92,860	116,770
Transportation	3,554,430	4,353,510	3,727,010
Refuse	2,441,720	2,441,720	2,477,250
Total	\$55,571,820	\$58,687,810	\$54,924,440

FY 2002 - 2004 Budget Comparison by Fund

The following tables compare the FY 02, FY 03 and FY 04 Budgeted revenue and expenditure budgets for all funds.

<i>Revenues by Fund</i>	<i>FY 2002 Adopted</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
General	\$39,543,020	\$39,506,770	\$37,339,250
Water	3,496,800	3,587,940	3,782,910
Sewer	4,396,920	4,443,680	5,104,320
Off Street Parking	1,817,000	1,917,000	2,005,690
Dock	787,200	591,370	876,500
Market	107,600	92,860	116,770
Transportation	2,119,800	3,064,200	3,298,000
Refuse	2,370,530	2,368,000	2,401,000
Grand Total	\$54,638,870	\$55,571,820	\$54,924,440

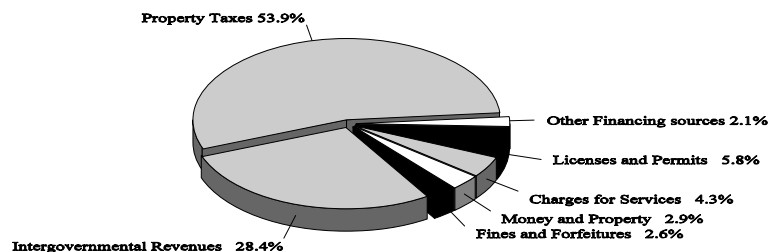
<i>Expenditures by Fund</i>	<i>FY 2002 Adopted</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
General	\$38,972,530	\$39,506,770	\$37,339,250
Water	3,496,800	3,587,940	3,782,910
Sewer	4,396,920	4,443,680	5,104,320
Off Street Parking	1,514,630	1,353,050	1,705,690
Dock	543,800	591,370	671,240
Market	76,320	92,860	116,770
Transportation	3,267,340	3,554,430	3,727,010
Refuse	2,370,530	2,441,720	2,477,250
Grand Total	\$54,638,870	\$55,571,820	\$54,924,440

Comparison of Annual General Fund Revenues - All Sources FY 2002 - FY 2004

Total FY 04 General fund revenues are budgeted at \$37,339,250, a decrease of 5.81% from FY 03 budgeted revenue and an increase of 9.65% over actual receipts for FY 02. The categorical descriptions below provide greater insight into the various trends affecting the City's revenue streams.

<i>Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Property Taxes	\$18,187,380	\$18,845,750	\$20,115,750
Licenses and Permits	1,729,360	1,838,100	2,151,100
Intergovernmental Revenues	10,494,200	10,406,010	10,598,310
Charges for Services	1,637,970	1,589,490	1,620,200
Fines and Forfeitures	734,720	856,190	974,500
Money and Property	1,213,180	1,371,540	1,082,140
Other Financing Sources	57,600	4,599,690	797,250
Total Revenues	\$34,054,410	\$39,506,770	\$37,339,250

**Comparison of General Fund Revenues
All Sources**



General Fund Revenues - Detail of Major Revenue Sources

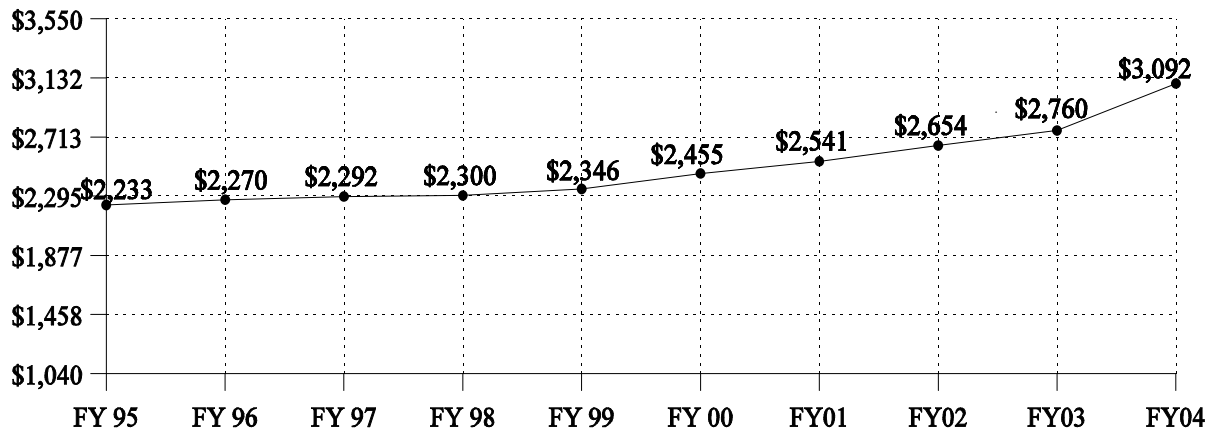
Property Taxes - General

This category of revenue consists of taxes on the assessed value of real estate (including land, structures and improvements) and taxes on the assessed value of inventory, furniture, and fixtures of business establishments. Property is assessed at 100 % of property value. The tax rate is the amount charged per \$100 of assessed value, as determined by the State Department of Assessments and Taxation. The Mayor and Council establish the tax rate each year in order to finance General Fund activities.

The assessable base of all taxable property fluctuates because of changes to the fair cash value of the existing base or because of the addition of new residential or commercial properties. The City is under a tri-annual assessment period for real property and increases are phased in over three years. FY04 figures represent the first year of a new assessment.

Assessable Base of All Taxable Property In Millions of Dollars FY 1995 - FY 2004

Assessable base is defined as the total value of all real and personal property in the City which is used as a basis for levying taxes. Tax exempt property is excluded from the assessable base.



General Fund Revenues - Detail of Major Revenue Sources
Property Taxes - General

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A City resident pays a combined tax rate levied by the City, Anne Arundel County, and the State of Maryland. The County tax rate is reduced for City residents because City residents do not utilize certain County services to the same extent they are used by other non-City, County residents. The cost of education, provided by the County, is the major factor in calculating the credit or tax differential. The tax rates for the last ten years based on full assessed values have been as follows:

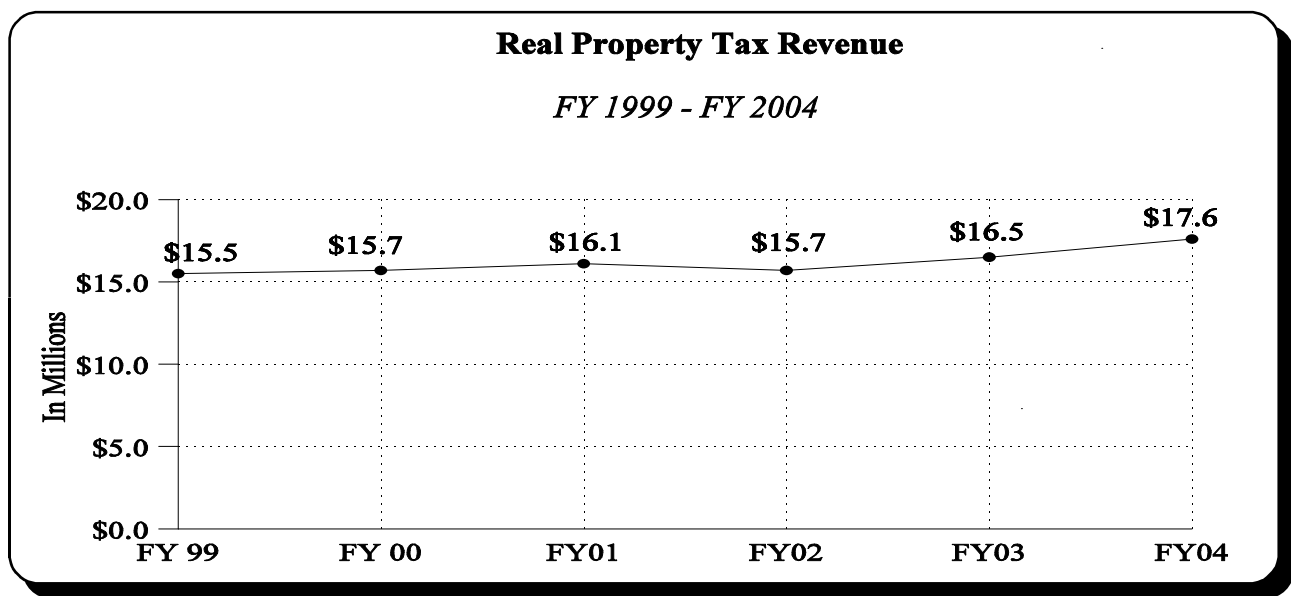
<i>Fiscal Year</i>	<i>City Rate</i>	<i>County Rate</i>	<i>State Rate</i>	<i>Total Rate In the City</i>	<i>County Tax Differential</i>	<i>Non-City County Rate</i>
04	0.600	0.555	0.132	1.287	0.400	0.955
03	0.624	0.550	0.084	1.258	0.400	0.950
02	0.624	0.556	0.084	1.264	0.404	0.960
01	0.668	0.556	0.084	1.308	0.404	0.960
00	0.672	0.540	0.084	1.296	0.404	0.944
99	0.680	0.540	0.084	1.304	0.404	0.944
98	0.672	0.548	0.084	1.304	0.404	0.952
97	0.676	0.548	0.084	1.308	0.404	0.952
96	0.692	0.516	0.084	1.292	0.436	0.952
95	0.712	0.492	0.084	1.288	0.448	0.940

General Fund Revenues - Detail of Major Revenue Sources

Property Tax Revenue

This category of property taxes consists of taxes on the assessed value of real property, which includes land, structures, and improvements. Real property taxes are charged on both residences and commercial establishments. In FY 04, real property taxes alone constitute 48.16% of the City's General Fund budget, net of appropriation of fund balance.

The calculation of assessed value begins with an estimate prepared by the State of the assessed value of all property that will be on the tax roles as of the beginning of the City's FY 04. The estimate of tax revenue is based on multiplying the assessed value by the tax rate, taking into account when during the year the tax on new property is taxed and the impact of appeals and late payments from previous years.



Real Property Tax Revenue History, Projections and Percent Change FY 1999 - FY 2004

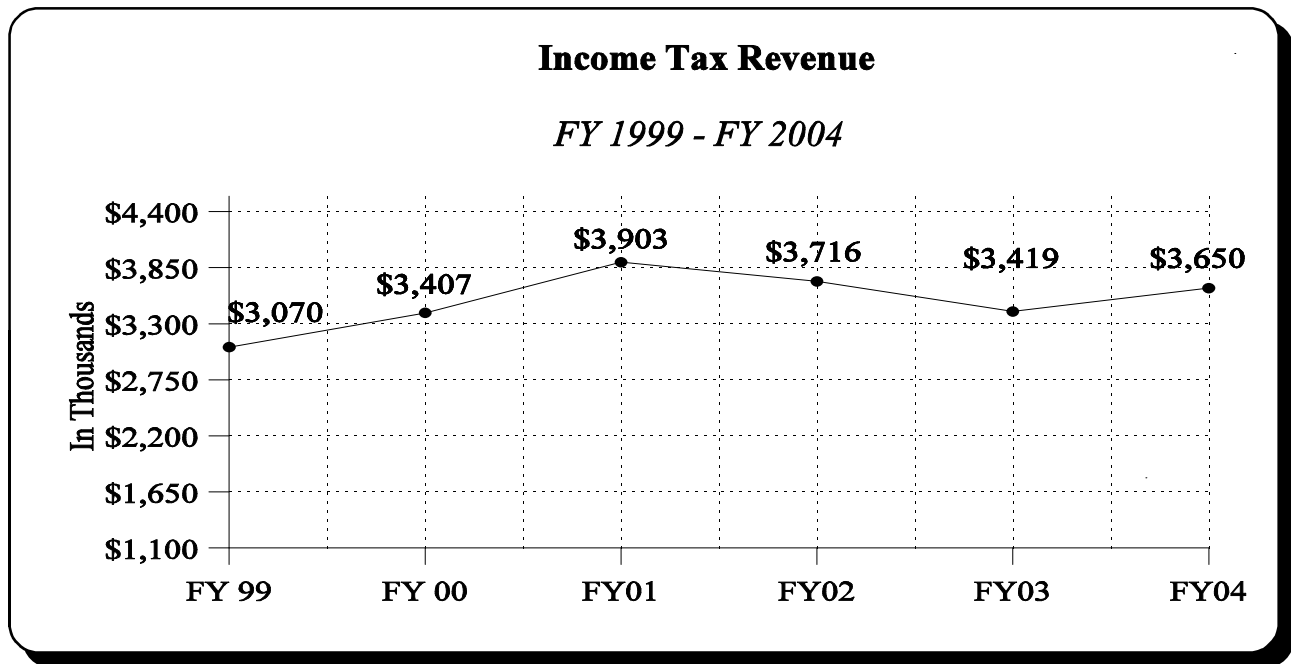
	<i>99 Actual</i>	<i>00 Actual</i>	<i>01 Actual</i>	<i>02 Actual</i>	<i>03 Estimated</i>	<i>04 Budgeted</i>
Revenue	\$15,517,455	\$15,668,745	\$16,076,390	\$15,666,220	\$16,528,900	\$17,600,000
% Change		0.98%	2.60%	-2.55%	5.51%	6.48%

General Fund Revenues - Detail of Major Revenue Sources

Income Tax Revenue

This category of revenue consists of the City's share of income taxes received by the State for returns filed from Annapolis. The income tax is the second largest source of revenue to the General Fund.

Maryland counties are able to impose an income tax that "piggy-backs" on the State income tax. Municipalities receive only a fraction of the piggy-back tax collected by the State from returns filed in the municipality; the County receives the remainder of the tax.



Income Tax Revenue History, Projections and Percent Change FY 1999 - FY 2004

	<i>99 Actual</i>	<i>00 Actual</i>	<i>01 Actual</i>	<i>02 Actual</i>	<i>03 Estimated</i>	<i>04 Budgeted</i>
Revenue	\$3,069,866	\$3,406,595	\$3,903,000	\$3,716,110	\$3,418,800	\$3,650,000
% Change		10.97%	14.57%	-4.79%	-8.00%	6.76%

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

Property Taxes

The real property assessment, at 100%, used to calculate the FY 04 tax revenue budget is \$2,909,000,000. This is a 9.3% increase over the FY 03 assessment, at 100%, of \$2,662,000,000. The adopted tax rate for FY 04 is 60.0 cents, which is a 2.4 cents decrease from the adopted rate for FY 2003, per \$100 of full property value. The personal property rate remains the same at \$1.66.

<i>Property Taxes</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Real Property: Revenues from taxes on assessed value real estate including land, structures, and improvements.	\$15,666,220	\$16,500,000	\$17,600,000
Personal Unincorporated: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of unincorporated businesses.	89,970	87,500	87,500
Personal - Public Utility: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of public utilities.	886,260	845,250	845,250
Personal Corporation: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of incorporated businesses.	1,401,950	1,300,000	1,470,000
Penalties and Taxes: Interest paid on delinquent taxes.	142,980	113,000	113,000
Total Property Taxes	\$18,187,380	\$18,845,750	\$20,115,750

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

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Licenses and Permits

These budgeted increases are based on FY 02 actual revenue, FY 03 projections, and the general upward trend of some of these revenue sources.

<i>Licenses and Permits</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Street Use: Fees charged for the use of City street and sidewalk surfaces.	\$90,970	\$91,500	\$91,500
Residential Parking Permits: Revenue from permits issued for parking in residential areas.	57,620	60,100	60,100
Sidewalk Cafes: Fees charged for the use of City sidewalks for restaurants that have sidewalk cafes.	7,200	6,900	6,900
Alcoholic Beverage Licenses: Revenues from licenses issued to allow sale of beer, wine, and liquor.	193,550	186,300	206,300
Traders Licenses: Fees collected from local businesses by the State and returned to the City.	77,700	81,000	81,000
Vendor-Huckster Licenses: Revenue from licenses issued for utility contractors and peddlers.	82,110	69,000	69,000
Towing Licenses: Fees from licenses issued to towing contractors.	120	100	100
Amusements Licenses: Fees charged by the City to operate various types of amusements.	5,400	2,200	2,200
Building Permits: Revenue from permits issued for building construction/electrical work; plumbing, sewer, water, and gas connections.	624,300	800,000	950,000
Cable TV Franchise Fees: Franchise fees for cable television at 5% of gross receipts.	372,080	400,000	420,000
Wastewater Discharge Pretreatment Permits: Fees charged for inspection to obtain permits for "critical uses" connection to the City sewer system.	61,360	64,000	0
Other Non-Business Licenses: Revenue from the issuance of local licenses and permits not elsewhere classified.	156,950	77,000	264,000
Total Licenses and Permits	\$1,729,360	\$1,838,100	\$2,151,100

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

Intergovernmental Revenues

Although it is likely that the City will receive various grants from other agencies, most have not been included in the FY 04 budget because the application and acceptance process have not yet been completed. The Police Protection Grant is based on a formula that is calculated by the State. Highway Tax revenue is to be reduced under the pending State budget.

<i>Intergovernmental Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Other Federal Grants: U.S. Environmental Protection Agency grants for habitat restoration and FEMA grants.	18,100	0	0
U.S. Department of Justice Grants: U.S. Department of Justice grants that fund certain costs of local law enforcement and citizen participation in an effort to make communities safer.	81,110	0	0
Police Protection Grant: City's share of State funds allocated to municipalities for police protection.	953,000	1,008,110	1,119,410
BMC Planning Grant: Subsidization of transportation planning activities and salary reimbursement, administered by the Baltimore Metropolitan Council and funded by various federal and state agencies.	42,800	0	0
Critical Area Grant: Assistance to local governments in carrying out their responsibilities under the Chesapeake Bay Critical Area Protection Program, administered by the Critical Area Commission, State of Maryland Department of Natural Resources.	13,000	0	0
HotSpots Grants: State payments to support HotSpots neighborhood and youth programs.	134,340	0	0
Miscellaneous State Grants: Revenue from other state grants that are not listed separately.	209,600	0	500,000
Highway Taxes: City's share of gasoline tax and motor vehicle registrations collected by the State.	1,527,750	1,574,200	1,135,200
Income Taxes: City's share of income tax received by the State for returns filed from Annapolis.	3,716,110	3,650,000	3,650,000
Admissions Receipts: Taxes on admissions are returned to municipalities by the State on the basis of the amount collected.	769,590	800,000	800,000

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

<i>Intergovernmental Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
State Payment in Lieu of Taxes: Revenue received from the State of Maryland in lieu of taxes for fire and police services.	367,000	417,000	417,000
County - 911 Revenue: Revenue received from a portion of the County grant to support the "911" emergency calling system.	193,210	179,000	199,000
Miscellaneous County Grants: Revenue from various grants from Anne Arundel County that are not listed separately.	42,460	13,200	13,200
Electricity: The City's share of sales tax collected on electricity use.	172,810	170,000	170,000
Gas: The City's share of sales tax collected on natural gas use.	24,780	27,000	27,000
Telephone: The City's share of sales tax collected on telephone use.	257,130	240,000	240,000
Fuel: The City's share of sales tax collected on fuel oil use.	2,190	2,500	2,500
Hotel-Motel Tax: Revenue from 7% tax levied on room receipts in the City of Annapolis.	1,479,380	1,780,000	1,780,000
County Payment In Lieu of Taxes: Revenue received from Anne Arundel County in lieu of taxes for fire protection coverage of the Annapolis Neck Peninsula.	489,840	545,000	545,000
Total Intergovernmental Revenues	\$10,494,200	\$10,406,010	\$10,598,310

Charges for Services

A slight increase in certain recreation program fees, combined with increased community participation is expected to result in a 11.8% increase in Recreation Program Fees over those of FY 03.

<i>Charges for Services</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Filing Fees: Charges for services relating to zoning such as map enhancements, text amendments, and use permits.	\$25,300	\$25,200	\$25,200
Rental Unit Licenses: Revenue received for licenses issued to operate a rental dwelling unit.	342,860	323,000	323,000

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

<i>Charges for Services</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Fire Safety Inspection Fees: Revenue received from inspections of buildings to ensure that they meet all fire safety requirements concerning life safety.	20,100	18,000	18,000
Parking Meter Fees: Revenues from hourly parking meters located in the downtown area.	590,990	601,000	601,000
Recreation Program Fees: Revenues from fees for various recreation programs and classes.	286,530	259,290	290,000
Recreation-Latchkey Fees: Revenue from before and after school day care programs.	372,190	363,000	363,000
Total Charges for Services	\$1,637,970	\$1,589,490	\$1,620,200

Fines and Forfeitures

Parking Violations revenue is expected to remain consistent with those of FY 03. Revenue from confiscated funds is being budgeted to offset the need for funds for the mobile data computing project.

<i>Fines and Forfeitures</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Parking Violations: Revenues from parking violation fines.	\$658,570	\$730,000	\$800,000
Municipal Infractions: Revenues received from fines for municipal infractions.	1,910	4,500	4,500
Confiscated Funds: Cash and personal items seized under current law by City Police during the commission of a crime.	45,800	101,690	150,000
Other Fines: Revenue from other miscellaneous fines and late charges on payment of fines.	28,440	20,000	20,000
Total Fines and Forfeitures	\$734,720	\$856,190	\$974,500

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

Use of Money and Property

Interest revenue on the short-term investment of cash balances is expected to remain low through FY 04.

<i>Use of Money and Property</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Interest Income: Interest received from the investment of City funds.	\$533,290	\$800,400	\$400,000
Rents: Revenue from the rental of City property.	172,920	190,000	190,000
Contributions and Donations: Revenue from miscellaneous contributions and donations to fund City activities.	50,680	95,000	120,000
Payments in Lieu of Taxes: Revenues received under special legal agreements with certain entities in lieu of the regular property tax assessment.	\$71,020	\$72,140	\$72,140
Payment for Police Services: Revenues from special dedicated police services.	100,310	98,000	100,000
Miscellaneous Revenues: Revenues not accounted for elsewhere.	284,960	116,000	200,000
Total Use of Money and Property	\$1,213,180	\$1,371,540	\$1,082,140

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

Other Financing Sources

Proceeds from other financing sources such as the disposal of fixed assets are not usually budgeted but are part of the actual proceeds for the year.

<i>Other Financing Sources</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>
Operating Fund Transfers: Revenues from miscellaneous operating fund transfers.	\$57,600	\$0	\$0
Appropriated Fund Balance: This is not an actual revenue; however it is a source of funding relied upon in balancing the budget. This funding source provides pay-as-you-go funding support for the Capital Improvements Program. \$720,250 of the general fund balance has been appropriated in FY 2004 to support pay-go project funding. The remaining \$77,000 is appropriated to fund other areas.	0	4,599,690	797,250
Total Other Financing Sources	\$57,600	\$4,599,690	\$797,250

**City of Annapolis FY 2004 Adopted Budget
General Fund**

<i>Expenditures</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>	<i>Percent Change</i>
Personnel	\$26,205,110	\$29,027,420	\$31,047,760	6.96%
Other Operating Expenditures	6,823,140	5,779,850	6,724,890	16.35%
Capital Outlays	220,100	10,000	0	N/A
Debt Service	2,030,200	2,094,130	2,748,200	31.23%
Other Expenditures	* (2,132,210)	* (1,907,070)	* (3,901,850)	104.60%
Contribution to CIP	6,145,440	4,502,440	720,250	-84.00%
Total Expenditures	\$39,291,780	\$39,506,770	\$37,339,250	-5.49%

<i>Expenditures by Department</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>	<i>Percent Change</i>
Mayor and Aldermen	2,038,510	1,406,460	2,247,420	59.79%
Finance	1,889,100	2,052,010	2,223,540	8.36%
Human Resources	559,450	640,650	589,320	-8.01%
Planning & Zoning	1,248,300	1,149,510	1,202,670	4.62%
Central Services	894,760	820,990	917,860	11.80%
Police	10,724,010	11,907,200	13,253,180	11.30%
Fire	7,580,600	7,923,650	8,258,800	4.23%
Neighborhood & Environ. Programs	1,202,530	1,258,890	1,474,950	17.16%
Public Works	4,714,020	5,206,680	5,122,460	-1.62%
Recreation & Parks	2,397,070	2,451,230	2,482,450	1.27%
Debt Service	2,030,200	2,094,130	2,748,200	31.23%
Other Expenditures	* (2,132,210)	* (1,907,070)	* (3,901,850)	104.60%
Contribution to CIP	6,145,440	4,502,440	720,250	-84.00%
Total Expenditures	\$39,291,780	\$39,506,770	\$37,339,250	-5.49%

* The negative dollar amount is the result of the credit to the General Fund for indirect administrative costs allocated to each enterprise fund.

Comparison of Annual General Fund Expenditures FY 1993 - FY 2003

This line chart indicates annual actual general fund expenditures for the ten year period ending FY 03.

